



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0195	Title:	Revise developmental disabilities services
Primary Sponsor:	Lange, Michael	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$156,640	\$161,320	\$165,353	\$169,487
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$156,640)</u>	<u>(\$161,320)</u>	<u>(\$165,353)</u>	<u>(\$169,487)</u>

Description of fiscal Impact:

This bill appropriates \$317,960 general fund over the 2009 biennium to the Department of Public Health and Human Services (DPHHS) to serve individuals, who qualify for Developmental Disabilities Program (DDP) services, have graduated from high school, and will not turn 19 years of age by September 10 of the following school year. DPHHS may provide payments to school districts that admit an individual under 20-5-101 or provide direct cash assistance to an individual to purchase community-based services.

FISCAL ANALYSIS

Assumptions:

Department of Public Health and Human Services

1. The funding in this bill can be used for cash assistance to school districts that admit these individuals, cash assistance to families, or to provide work/day services through the DDP.
2. It is estimated that there are 49 individuals who qualify for DDP services that will graduate and turn 19 after September 10 of the current school year. It is estimated that 25% or 12 students will graduate and re-enroll in high school.
3. The current law Average Number Belonging (ANB) entitlement for a high school student is \$5,861 in FY 2008, and \$6,035 in FY 2009. The average state share of this amount is \$4,437 in FY 2008, \$4,510 in FY

2009. It is estimated that DPHHS will transfer \$53,244 in FY 2008 and \$54,120 in FY 2009 (12 students x the average state share amount) to the Office of Public Instruction for the state share of the entitlement for these individuals.

4. The remaining \$103,396 of the \$156,640 in FY 2008 and \$107,200 of the \$161,320 in FY 2009, appropriated in the general fund per section 4 of HB 195, will be used to support work/day services through the DDP for the remaining 37 individuals.
5. Ongoing funding beyond the 2009 Biennium has not been identified. For the purposes of this fiscal note, projections at a 2.5% increase have been included for FY 2010 and FY 2011.
6. The funds appropriated in this bill will not be used for Medicaid match. Ongoing funding must be identified for the department to offer DDP services funded with a Medicaid match. This bill provides funding only for the 2009 Biennium.
7. Since the appropriation in this bill is only effective through the 2009 biennium, no fiscal impact is calculated for future years; however, this bill would allow for schools to enroll individuals, who qualify as a result of this bill in future biennia, but the funding source for this is not identified.

Office of Public Instruction (OPI)

8. Based on Special Education Child Count data reported by school districts to the Office of Public Instruction, there were 98 individuals statewide who graduated with a diploma in 2006 and who were less than 19 years old on September 10th of 2006, and had a dominant disability other than learning disability, speech impairment or emotional disturbance.
9. OPI estimates that one-half of these students (49 of the 98) meet the DPHHS standards for eligibility as an individual with a developmental disability.
10. Twelve of the 49 individuals will be readmitted to high school following graduation.
11. ARM 10.15.101 defines enrollment of a high school student to mean that the student is assigned to receive organized instruction in an education program described in ARM 10.55.904 that is offered by a public school and can be applied toward the graduation requirements of ARM 10.55.905 (emphasis added).
12. ARM 10.15.101 implies that schools cannot collect ANB for students who have already graduated on the basis that the program of instruction cannot be applied toward the graduation requirement because the student has already graduated.
13. Schools serving the 12 readmitted individuals will not collect ANB on the basis of limitations established in ARM 10.15.101.

Effect on County or Other Local Revenues or Expenditures:

If payments received by the public schools from the DPHHS do not equal costs of providing services to the re-enrolled individuals, schools may absorb additional costs within existing budgets.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	\$103,396	\$107,200	\$109,409	\$111,864
Transfers	\$53,244	\$54,120	\$55,944	\$57,623
TOTAL Expenditures	\$156,640	\$161,320	\$165,353	\$169,487
<u>Funding of Expenditures:</u>				
General Fund (01)	\$156,640	\$161,320	\$165,353	\$169,487
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$156,640)	(\$161,320)	(\$165,353)	(\$169,487)

Technical Notes:

- Ongoing funding beyond the 2009 Biennium has not been identified.
- ARM 10.15.101 implies that schools cannot collect ANB for students who have already graduated. As a result, DPHHS has used the ANB formula for payment calculation purposes only to provide the school district with an equitable amount for these students.
- Section 3 of HB 195 amends the definition of "comprehensive developmental disability system" set at 53-20-202, MCA, by adding the term "financial assistance" to the list of community services. The definition in HB 195 does not, however, define the term "financial assistance". The addition of the term, undefined, to a general listing of community services to be provided by the State could result in a possible legal interpretation that the State, in addition to payment for services, would be obligated to provide cash assistance for persons with developmental disabilities found to be eligible for services. The fiscal note assumes only services are provided, and no cash payments are made to developmental disabilities individuals.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date